Work Relations and Job Satisfaction of Customer Service Representatives

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ABSTRACT

This research emphasizes the association between work relations of customer service representatives in terms of their personal profiles, of workplace relationships, of job satisfaction, of organizational commitment and employee loyalty.

KEYWORDS: bpo, call centers, customer service representative, work relations, job satisfaction

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INTRODUCTION I.

Business Process Outsourcing (BPO) is a developing 15 public, private, and not-for-profit sectors (ACTU, industry that is receiving significant attention from all other sectors such as government, business, as well as from the academe. BPO is basically formulated to outsource processes to a third party that are not core to a company but are necessary in its everyday operations. India and the Philippines has the most number of BPO companies in the world and consequently the most studies and researches made on this subject. With the sustained growth of this industry, BPOs are now receiving considerable academic attention dealing with multiple aspects like work conditions, organizational environment and specific organization and work-related issues.

The call centre industry has grown exponentially throughout Australia, Europe, the United States, and Asia over the past decade, more so than any other industry (URCOT, 2000). The proliferation and expansion of the industry can be associated with developments in information and communication technology which have enhanced the efficiency and cost effectiveness of managing customer relations, and have expanded the applicability of call centres to a wider variety of industries crossing across the

2002; Burgess and Connell, 2004; Burgess, Connell, Hannif, 2005). In the midst of this growth has emerged increasing concern about the human resource practices in these workplaces, and the implications these new forms of work organisation have for employees. Although call centres can be extremely diverse in terms of structure, type of service provided and working conditions, recent research on the industry has correlated call centre work with high levels of stress and burnout, stringent systems of monitoring and surveillance, low levels of personal autonomy, poor health and safety outcomes, intensive, unsocial and inflexible working hours, high rates of casualization, and low levels of union representation (URCOT, 2000; ACTU, 2002a; Holman, 2002; Paul and Huws, 2002; Mullholland, 2002; Healy and Bramble, 2003; Hannif and Lamm, 2005). Job satisfaction, employee relations, and work quality is therefore an issue of growing significance across the industry.

However, despite this evidence, and a wellestablished body of job quality literature (see Davis and Cherns, 1975; Levine, 1983; Considine and

Callus, 2001; Huzzard, 2003; Green, 2005) there has been little deliberate overlap between these research areas. A major gap is therefore evident in the call centre literature in the way of a systematic examination of job satisfaction, employee relations, and the quality of work life.

This paper is an attempt to contribute to existing literature on job satisfaction, employee relations, and work-life balance in general and the Business Process Outsourcing (BPO) industry in the Philippines in particular. In light of the work organizations in BPOs and resulting outcome that employees in their daily efforts within the industry, the significance of the issue of work-life balance should be stressed. Moreover, the conflict between work demands vis-àvis personal and family needs is needed to be delved into in order to have sufficient institutional support at the employer, more so at the governmental level (Jacobs and Gerson 2004). This paper is an attempt to contribute to literature in three ways. First, it takes a critical look at the workplace setting and organization in BPOs. Second, the research examines the different benefits in BPO companies and if employees perceive them to foster work-life balance. Lastly, it discusses the recommendations from the BPO workers themselves in how to limit and alleviate the work-life disconnect and promote genuine work-life balance.

Theoretical Background

General organizational and work environment in BPOs are largely different from traditional organizations as "the customer-oriented nature of work often challenges the traditional conceptions of control and coordination" (Tripathy, 2006: 3). It is fast-paced with a 24/7 operations leading to "possibilities for novel modes of conceptualizing and organizing work, leading to discernible changes in work cultures" (Tripathy, 2006: 3).

Generally, organizational culture is highly informal; management and employees work together closely participative decision-making collaborative team-based organizational context. BPO organizations are inclined to high-performance and high productivity work team principles and tools; they subscribe to inclination towards operational and service excellence – promoting initiatives like total quality standards, Six Sigma, Customer Operations Performance Center (COPC) standards, Capability Maturity Model Integration (CMMI), and the like. Taylor et al. (2002) succinctly conveyed that in this work setting: "powerful implicit expectations of acceptable and output levels are embedded in the culture of each workflow, with managers and particularly, team leaders applying performance norms." These performance norms further reinforced in day-to-day operations even in individuals work practices. For example, Tripathy (2007:3) recalling a usual phenomenon in BPOs: "the entry of employees is strictly restricted to their work area and common earmarked for recreation spaces refreshment...during the working hours, punctuality and admissible breaks are tracked continuously through computers... free time is limited... the structure prevents them from too many toilet and coffee breaks." The interplay between an informal workplace setting and the extreme rationalization of work makes the work environment appealing but at the same time confining and limiting to the BPO employees.

The concept quality of work life originated as part of a movement that began in the United States in the 1960's and 1970's; the purpose of which was to initiate dialogue and encourage the theoretical exploration of ways of making the working environment a more humane situation for workers (Davis and Cherns, 1975; Levine, 1983; Considine and Callus, 2001; Huzzard, 2003). Concerns about working conditions were triggered by rapid advancements in technology which saw a greater dedehumanization, skilling. alienation objectification of labor under Taylorist and Fordist influences (Davis and Cherns, 1975; Levine, 1983; Huzzard, 2003; Green, 2005). Since this time, there has been an upsurge of research concerned with the quality of work life, from a multitude of disciplines. Naturally, this has resulted in varying perspectives about how to define the concept "quality of working life" and what constitutes a high quality job.

Fundamentally, job quality and "the quality of work life" are comprised by the set of work characteristics which promote the well-being of the worker (Green, The European Foundation Improvement of Working and Living Conditions [EFIWLC] (2003) propose the concept has "its foundations in a multi-dimensional understanding of individual well-being or the good life". These definitions are essentially employee-centered, and focus exclusively on what is beneficial for the worker. It is therefore not surprising that researchers have drawn attention to the importance of examining workers experiences in studies of job quality.

Green (2005) states that employees are in an unrivaled position when understanding the world of work; they are the ones doing the jobs and are therefore able to provide the most reliable information. This paper will therefore gather and report on findings relating to job quality from the wider call centre literature as derived through employee accounts and experiences.

The concept quality of work life has been handled and defined with differing levels of complexity. In its simplest form, the concept is seen to be concerned with employees' job satisfaction, particularly in relation to how much access is available to tangible aspects of work such as income, and employment benefits (Juuti, 1991; Lau and Bruce 1999). Towards the more complex is to associate the concept with an employee's subjective wellbeing. This notion would consider issues such as how secure the employee feels in their job, and how safe they feel in terms of occupational health and safety. This approach accepts that the quality of work life involves both the tangible and intangible aspects of individuals' working-life experiences; and acknowledges that the quality of work life extends beyond organizational boundaries. (Zapf, 1984, Sirgy, Efraty, Siegel, and Lee, 2001; Considine and Callus, 2001). However, the quality of work life is most widely accepted at its most complex definitional form, where it is considered a dynamic, multi-dimensional construct that incorporates any number of measures relating to employment quality (Levine, 1983; Carayon, 1997; Prujit, 2002; EFILC, 2003). Although this definition does little to minimize ambiguity, its broad nature recognizes the intricacies and complexities surrounding employment quality, accepts that quality in employment is essentially relative, and puts forth the quality of work life as a notion that needs to be examined in relation to job characteristics, individual circumstances and the wider labor market. This is the definition that is adopted in this review.

The terms job quality and quality of work life are often transposable in the literature given that both are concerned with the attributes comprising a job, and the well-being of employees in relation to these job characteristics. The approaches used to examine job quality and the quality of work life are also often the The terms will therefore be interchangeably for the purposes of this review.

Literature Review

While the call centre literature has drawn attention to issues relating to job quality, this has often been incidental, and a result of investigation of various other aspects of call centers, in particular, the application of the labor processes perspective. For instance, Knights and McCabe (1998) provide an account of the employment experiences of workers employed in a British call centre undergoing a business process re-engineering (BPR) regime, and Russell (2002) uses a labor process perspective to investigate employee responses to the culture of employee management in an Australian call centre. Taylor and Bain (1999) and Russell (2004) on the other hand use a Foucauldian electronic panopticon perspective to analyze the labor process and employment relationship in call centers.

Furthermore, where job quality has been investigated in call centers, the focus has been placed on specific aspects of call centre work. For instance, researchers have been particularly keen to examine stress and burnout in these new organizational forms, and in doing so, have highlighted the implications of roles stress on employee performance and satisfaction (see de Ruyter, Wetzels and Feinberg, 2001), the influence of work relationships on emotional exhaustion and employee withdrawal (Deery, Iverson & Walsh, 2002), and more generally, the burnout experiences of call centre employees (Healy and Bramble, 2003). Given the large proportion of women employed in call centers, it is not surprising that the issue of gender has also made in onto the research agenda. The most notable contributions have been by Belt (2002) who has examined the career intentions and outcomes of women in British and Irish call centers, and Mullholland (2002) who has investigated gender dynamics in relation to emotional labor and teamworking. Other specific areas of call centre research include employee responses to monitoring and surveillance (see Barnes, 2004) and team-working (see Townsend, 2004).

In short, although there has been an upsurge of call centre research over the past five years, there is little in the way of research that systematically examines call centre work from a job quality approach. There is also yet to be a study that comprehensively ties together the available call centre research to identify the most pertinent job quality issues. The following review aims to minimize this gap by taking the first step, which is to collect and present key findings relating to job quality from the wider call centre literature in order to highlight major concerns, and more importantly, key areas where further research into job quality is needed

These originally took form as an exhaustive list of job-related factors which were determined through an in-depth review of the job quality literature and the frameworks that have been previously used to examine job quality in different sectors, industries and countries. A review of the call centre literature followed, paying specific attention to issues identified in the literature as having a significant bearing on job quality in call centre workplaces. The issues identified in the call centre literature were then cross checked with the factors derived from the quality of work life research to identify common job quality factors.

While the review is structured according to this framework, it is acknowledged that it is difficult to completely separate these job quality components because of the significant overlaps that exist between the various themes and factors. Isolating these themes and factors, although done somewhat tentatively, was necessary to give some order to the voluminous findings that emerged through investigation of the literature. It was also key to establishing linkages between the two bodies of research.

Researchers suggest that work design can vary significantly between call centers, depending on the specific organizations' objectives. For instance, those organizations that compete on service quality are more likely to design tasks to maximize employee discretion and individual autonomy, in order to allow more individualized service (Bain, Bunzel, Mulvey, Hyman and Taylor, 2000; Hutchinson, Purcell and Kinnie, 2000a; Deery and Kinnie, 2002). This is most typical amongst organizations that operate under what Bat and Moynihan (2002) describe as the professional service models. The services provided in these organizations tend to be highly specialized and professional, requiring a blend of highly general skills obtained through formal education, and firm specific skills (ibid). Turnover in these workplaces tend to be lower than average for call centers given the high levels of employee empowerment (Evenson, Harker and Frei, 1999).

The high rates of absenteeism and turnover that characterize the call centre industry are well documented in the literature. In Australia, national call-centre turnover is placed at 18 per cent, although turnover rates in the major cities - Sydney and Melbourne, are placed as high as 30 to 40 per cent; well above the average for typical office-type workplaces (Kinnie et al, 2000). This compares poorly with most other countries, and falls particularly short of US best practice attrition rates (Technical Assistance Research Program [TARP] 1997; ACTU, 2003).

Research indicates that the emerging pattern of dissatisfaction amongst employees from this industry can be linked with how employees perceive their employment in the call centre context. (Richardson et al, 2000; URCOT, 2000; Wallace, Eagleson and Waldersee, 2000; Batt and Moynihan, 2002; Deery and Kinnie, 2002; Houlihan, 2002; Paul and Huws, 2002). Researchers (e.g. Richardson et al, 2000; URCOT, 2000) suggest that call centre employees often feel undervalued because of the low status image attached to their occupations. Employees in the URCOT (2000) report stated they felt society had little understanding of their responsibilities, and failed

to appreciate or recognize the interpersonal, communication and relational skills associated with call centre work. These perceptions essentially worked to demoralize workers, and diminish their attachment to their occupations.

Despite wage rates varying considerably between call centers, workers often express dissatisfaction with the relatively low pay levels offered across the industry (Richardson, 1998; Kinnie et al, 2000; Paul and Huws, 2002). Those employed on non-standard working arrangements in particular, often find they are paid less for carrying out the same tasks as permanent, full-time staff. These workers are also often paid minimum wages, and denied the right to wage increases because of their non-standard employment status (Paul and Huws, 2002; Hannif and Lamm, 2005).

There has been growing concern in the literature about the working time arrangements evident in call centre workplaces, with researchers suggesting that employment in this context is increasingly being associated with extended, unsocial working hours, and inflexible shifts systems and leave arrangements (see Richardson and Marshall, 1999; Kinnie et al, 2000; Richardson et al, 2000; URCOT, 2000; Watson, Bunzel, Lockyer, and Scholarios, 2000; Mulholland, 2002; Paul and Huws, 2002). The quest for organizational flexibility in this sector has led to a shift away from the traditional 9am-to-5pm, 5-days a week employment structure, a reduction of the working week to 35 hours and extension of opening hours in order to hire a higher proportion of nonstandard workers (Watson et al 2000; Hutchinson, Purcell, and Kinnie, 2000a). For instance, the TARP study conducted in 1997 suggested that 30 per cent of Australian call centers operated seven days a week, and 9 per cent operated 24 hours per day.

Although there is little in the form of literature that examines the specific employment forms offered in call centre organizations, there is growing evidence to suggest the use of non-standard workers has increased widely across call centre workplaces (see Richardson and Marshall, 1999; Hutchinson et al, 2000; URCOT, 2000; Watson et al, 2000; ACA, 2002; Paul and Huws, 2002; ACA, 2003; Hannif and Lamm, 2004; Russell, 2004). Watson et al (2000) suggest call centers epitomise the shift towards the loosening of employer-employee relationships. In the endeavor to achieve maximum organizational flexibility, call centers have shifted away from the standard full-time form of employment, diminishing the amount of mutual loyalty and commitment traditionally held by the two parties. There is also evidence to indicate that while non-standard arrangements may offer some employees much needed flexibility, they can also detriment employees in numerous ways. Hannif and Lamm (2004) in their investigation of non-standard employment practices in two New Zealand call centers noted the associations that could be drawn between casual and part-time employment in these workplaces, and lower rates of pay, less access to employment benefits and entitlements, fewer opportunities for training and development, and higher exposure to occupational health and safety risks. Indeed, similar research is necessary in the Australian call centre context to determine whether these employees experience lower job quality than those in more stable and secure employment forms.

There is little research that examines the relationships between employees in call centre workplaces. There is, however, a growing body of call centre literature that examines how employers have introduced 'fun' in to the call centre work culture to deal with some of the negativities associated with the monotonous and repetitive nature of tasks. Kinnie et al (2000) suggest these measures have been brought in by management as a means of meeting the somewhat paradoxical goals of efficiency and high quality service. Team formation, for example, is a widely used strategy within call centre workplaces to improve cohesion between workers, and increase employee commitment and productivity (Kinnie et al, 2000; Russell, 2004; Townsend, 2004).

Although managerial styles and strategies can vary significantly between different call centers, there is strong evidence to suggest that employees are increasingly turning away from call centers because of the lack of people management skills in these workplaces (URCOT, 2000; Wallace et al, 2000; Houlihan, 2002). Wallace et al (2000) suggest that many call centers have assumed what they term as a 'sacrificial human resources strategy', a strategy that is based on a deliberate "misalignment between task demands and employee intrinsic motivation" (p.178). In short, management ensures efficiency and quality service are concurrently delivered by selecting employees based on their personal intrinsic motivation to deliver quality services to the customer. Furthermore, the costs of people management and employee development are minimized as there is little organizational investment in improving levels of morale and commitment.

Employee-related consequences such as stress and burnout, are hence accepted, and tolerated. Houlihan (2002) suggests this specific organizational strategy echoes a 'containment' model of low-discretion, high commitment (LDHC) management, which relies on

control and compliance to achieve the overriding goals of productivity and efficiency.

Given the diversity of the call centre context, the amount of monitoring and control experienced by employees varies significantly between call centre workplaces (Bain et al, 2000; Gilmore and Moreland, 2000; Deery and Kinnie, 2002; Houlihan, 2002). Again, this is largely determined by the specific business objectives guiding the organizations practices. The extant literature suggests that at one extreme, calls are relatively simple, and responses can thus be scripted, and standardized. Relatively tight statistical monitoring systems prevail in these workplaces in order to maximize the number of calls that can be serviced (Bain et al, 2000; Deery and Kinnie, 2002). At the other extreme, are call centers which focus on the quality of service delivery. Given the focus on individualized service, temporal measures are less significant than the relational aspects of the call (Bain et al, 2000; Gilmore and Moreland, 2000).

Employment in the call centre industry is often associated with limited and inadequate opportunities for training and career development (Crome, 1998; Richardson et al, 2000; URCOT, 2000; Bagnara and Marti, 2001; Deery and Kinnie, 2002; Paul and Huws, 2002). As Crome (1998: 137) explains, training is considered 'nice to have' rather than a 'must have' in many of these workplaces, given the low training budgets dedicated by organizations to training initiatives, and the high churn rates that characterize the industry. In many cases, training is considered futile because of the simple and highly structured nature of the tasks performed in call centers. Organizational investment in training and skill development is thus, limited, preventing workers from acquiring additional skills, and causing many workers to leave the industry altogether. In actual fact, the process operates as a spiral, with turnover and related cost pressures encouraging employers to minimize the complexity of tasks, which diminishes the need for training investment, hence, triggering further movement out of the industry (Crome, 1998; Paul and Huws, 2002).

The issue of stress and burnout is widely documented in the call centre literature, and is considered a critical aspect of employment in this industry (see ACA, 1998; Richardson and Marshall, 1999; Kinnie et al, 2000; Richardson et al, 2000; URCOT, 2000; Wallace et al, 2000; Bagnara and Marti, 2001; Batt and Moynihan, 2002; Deery and Kinnie 2002; Holman, 2002; Mulholland, 2002; Paul and Huws, 2002; Shire et al, 2002; Healy and Bramble, 2003). A

study on 433 Australian call centre employees by ACA (1998) indicated that a quarter of workers experienced high levels of stress on the job; something they had not experienced prior to working within the call centre industry. The extant literature attributes these levels of stress to a number of factors, including the exceedingly intensive and emotionally demanding nature of the work, and the high levels of monitoring and control that employee have to endure on a day-to-day basis.

Work-life balance "is the stability characterized by the balancing of an individual's life complexity and dynamism with environmental and personal resources such as family, community, employer, profession, geography, information, economics, personality, or values" (Crooker et al, 2002: 389). The linkage of work and personal aspect of lives has always been emphasized (Bruck et al., 2002; Gibson, et al., 2006). Gibson et a. (2006: 197-198) offered two explanations regarding the interconnectedness of work and life in the organizational setting: (1) the compensation effect implies that employees tend to compensate for low work or personal life satisfaction by seeking contentment in the other domain; and (2) the spillover view that indicates that job satisfaction spills over into one's work life and vice versa.emation

With its 24/7 operations BPO companies has higher turnover rates compared to most other industries in and the Philippines. In a recent study, Hechanova (2008) explained that 1 of 2 call center representatives has turnover intent; this turnover intent is associated with age, career commitment, burnout, satisfaction with pay, boss, promotions, job responsibilities, firm management and promotions. Given the results of the research, she recommended that call centers and BPO companies should ensure effective rewards management, helping employees find the right fit and rethinking job design, as well as provide fun atmosphere and Employee Wellbeing Programs. Work-Life Balance in Philippine BPO organizations, are seen in these terms focusing on the extent to which benefits are not only commensurate and competitive but are also relevant to the needs of employees. Moreover, as BPO employees belong to fairly young age group, a supportive workplace and fun work environment is imperative to address the work-related stressors (Hechanova, 2008).

Union representation can play an important role in improving the quality of working life for call centre workers (Frenkel et al, 1998; Paul and Huws, 2002). The amount of union protection extended to employees, however, varies considerably based on the size and structure of any given call centre. The highest rates of unionization are evident in in-house

or public sector call centers, which incidentally also have lower turnover rates (ACTU, 2002; Paul and Huws, 2002; Burgess and Winsen, 2004).

Data Analysis

This paper is an attempt to contribute to existing literature on job satisfaction, employee relations, and work-life balance in general and the Business Process Outsourcing (BPO) industry in the Philippines in particular. located at Clark Freeport Zone.

The researcher first thought of a randomized selection of respondents. However, because of institutional policies, the researcher was confined to convenience sampling instead. This is in accordance to the institution's regulations on how many among the agents will answer the questionnaire.

The following institutions allowed the researcher to have a set the number of the respondents: Cyber City Teleservices, Inc. – 50 respondents

Sutherland Global Services – 30 respondents

Microtel Global Solutions, Inc. – 60 respondents

Although the numbers of respondent were predetermined by the institutions, the researcher instructed each company representative who conducted the distribution of the questionnaire to randomize the dissemination.

The goal and objectives of the study was met through the use of survey methodology. This is a descriptive, cross-sectional, survey that was conducted at three BPO companies

Conclusions

Based from the study, the general personal profiles of call center agents are young workforce, between average to above average wage earners, and diversified personnel in terms of educational attainment, marital status, and working status. However, it can be noted that the young workforce, it is assumed that they are just starting their careers as BPO agents. Also, there are a number of call center agents who are college undergraduates, newly hired, and on probationary status which are directly related to their compensation.

For the workplace relationships, the customer service representatives affirmed that respect to and from coworkers are important and are present. It may be taken as in the social context of being a Filipino where we are all known for. Filipinos value camaraderie and social relationships in the workplace. This is also agreed by the acquired the lowest rating is the level of stress you feel associated with the relationship you have with your co-worker with a mean of 3.094. This only means that call center

agents in general don't take workplace issues personally. Thus, stress is not because of their coworkers but for any other reasons.

The study is limited to their satisfaction only and did not dwell on what other types of work are being conducted inside the call center. It may be generalized that different companies employ different policies on the amount of and magnitude of work.

It may be viewed that the call center agents are only staying because there is a lack of job that matches their educational preparations or they are planning to transfer into another company. What is assured by the results is that an employee stays with the organization or company because of his colleagues.

Overall, a customer service representative values the company he or she works with because of the relationship formed within the organization from and by his workmates. It is therefore concluded that workplace relationships has more impact on making the agents stay with the company regardless of the quality of working environment and job satisfaction.

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